UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

ZANGO, INC., Plaintiff, v. PC TOOLS PTY LTD., Defendant.	No. CV 07-0797 JPD DECLARATION OF TOM ALLAN

Tom Allan states and declares as follows:

1. I am the Director of Finance for plaintiff Zango, Inc. ("Zango"). My responsibilities as Director of Finance include, among other duties, revenue analysis and forecasting. I have personal knowledge of the matters stated herein and I am competent to testify to these matters.

2. Attached hereto as Exhibit A is a true and correct copy of a PowerPoint presentation I prepared on May 18, 2007. The graphic slides contained in the presentation illustrate a sharp change in Zango's revenue which took place on approximately April 1, 2007. Prior to that date, Zango had been experiencing a trend of positive revenue momentum. Beginning on or about April 1, that trend abruptly shifted to a trend of sharply negative revenue momentum.

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Dockets.Justia.com

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

DATED this 25th day of May, 2007 at Bellevue, Washington.

Tom Allan

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CERTIFICATE OF SERVICE

The undersigned declares as follows:

I am employed at Corr Cronin Michelson Baumgardner & Preece LLP, attorneys of record for Plaintiff Zango, Inc. herein.

I hereby certify that on May 25, 2007, I electronically filed the attached foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to the following persons:

J. Ronald Sim
Maren R. Norton
Stoel Rives LLP
600 University Street
Suite 3600
Seattle, WA 98101-3197

and I hereby certify that I have delivered via U.S. Mail the document to the following non CM/ECF participants:

N/A

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

DATED this 25 day of May, 2007, at Seattle, Washington.

Joyce Abraham

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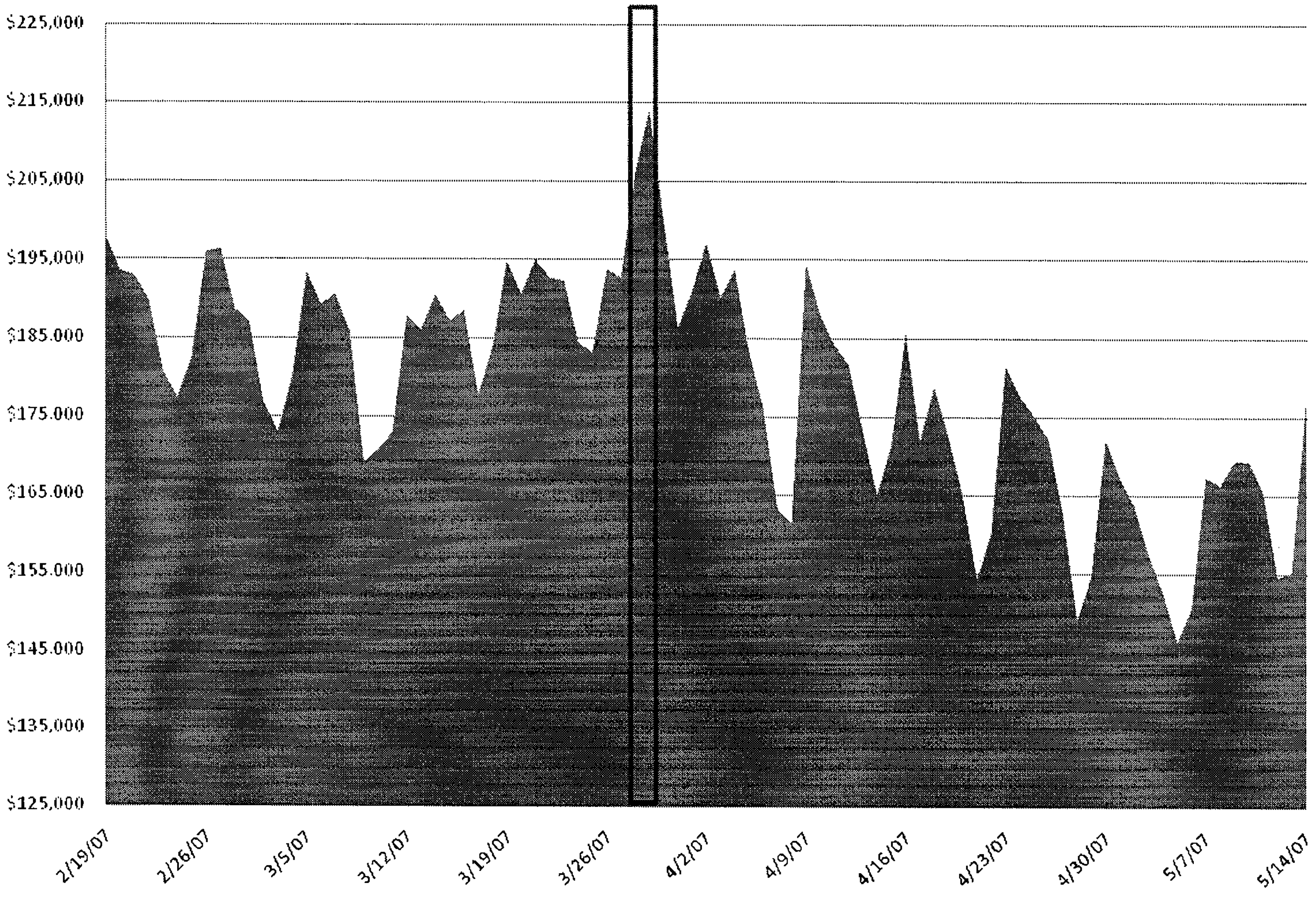
EXHIBIT A

Zango vs PC Tools

Summary of Revenue Impacts

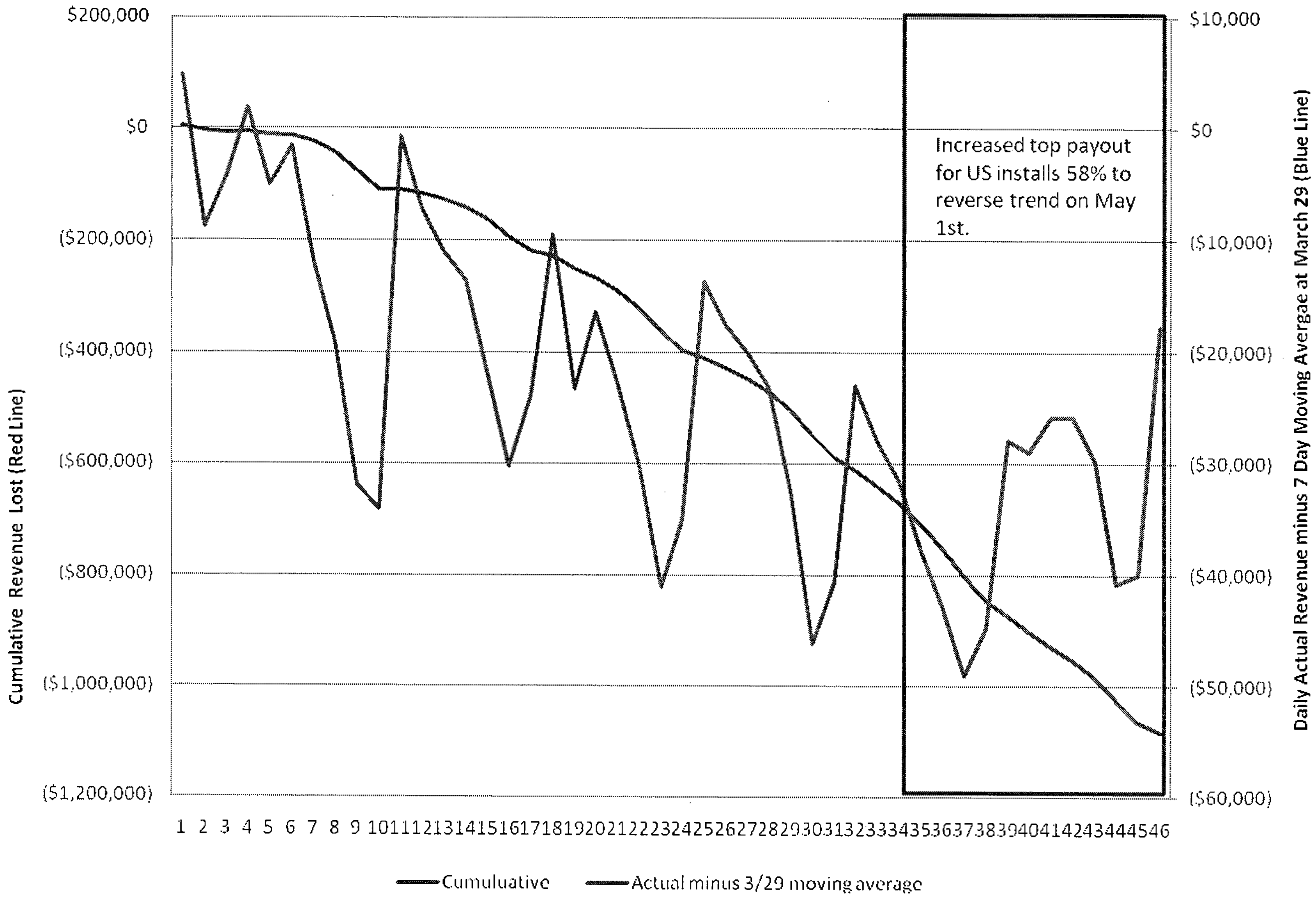
Zango Revenue

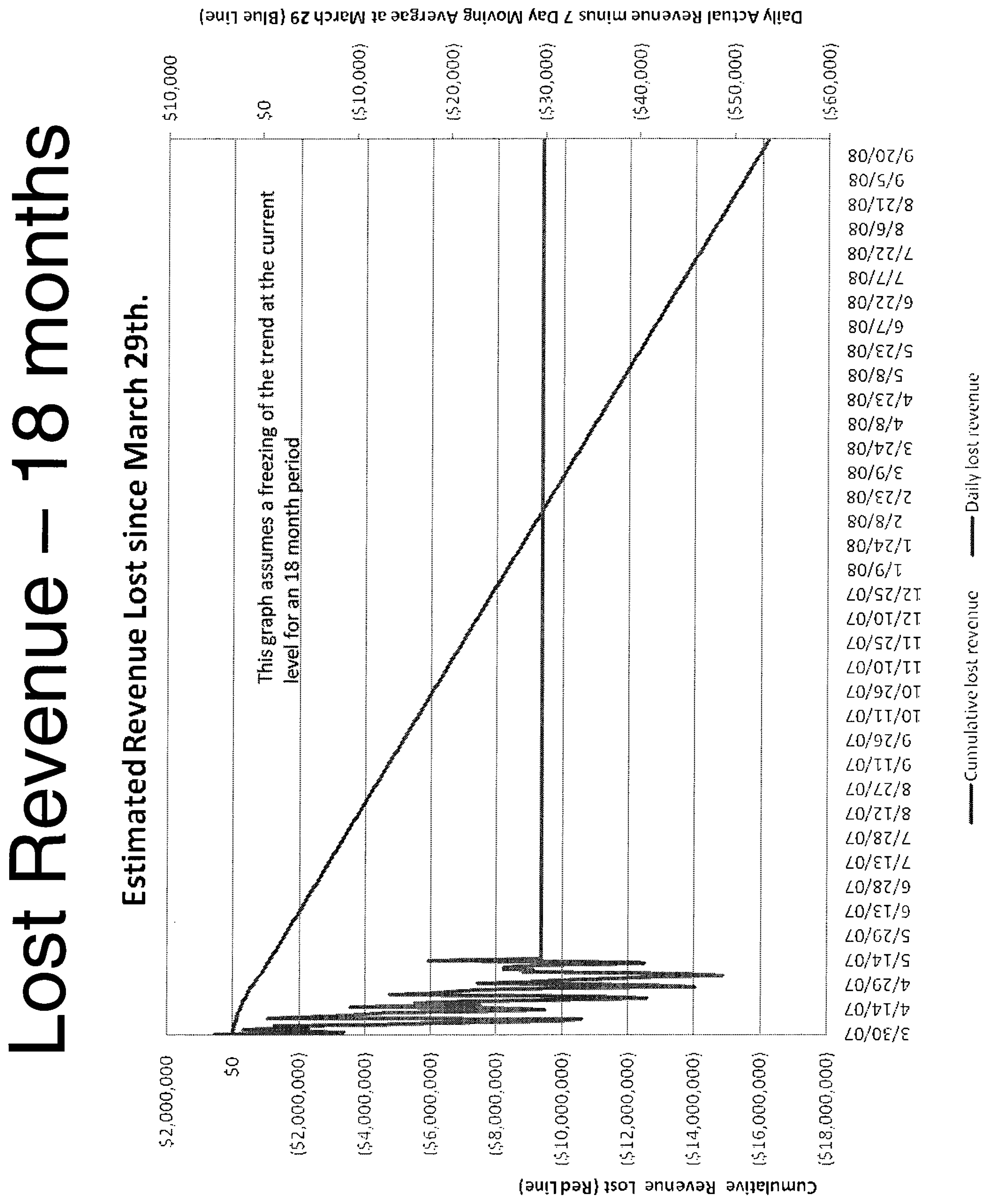
Search Assistant Revenue by Day


$225,000
$215,000
$205,000
$195,000
$185,000
$175,000
$165,000
$155,000
$145,000
$135,000
$125,000
2/19/07
2/26/07
3/5/07
3/12/07
3/19/07
3/26/07
4/2/07
4/9/07
4/16/07
4/23/07
4/30/07
5/7/07
5/14/07

Lost Revenue since 3/29

Estimated Revenue Lost since March 29th.


$200,000
$0
($200,000)
($400,000)
($600,000)
($800,000)
($1,000,000)
($1,200,000)
Cumulative Revenue Lost (Red Line)
$10,000
$0
($10,000)
($20,000)
($30,000)
($40,000)
($50,000)
($60,000)
Daily Actual Revenue minus 7 Day Moving Avergae at March 29 (Blue Line)
Increased top payout for US installs 58% to reverse trend on May 1st.
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46
Cumuluative
Actual minus 3/29 moving average


Lost Revenue – 18 months
Estimated Revenue Lost since March 29th.
This graph assumes a freezing of the trend at the current level for an 18 month period
Daily Actual Revenue minus 7 Day Moving Average at March 29 (Blue Line)
$10,000
$0
($10,000)
($20,000)
($30,000)
($40,000)
($50,000)
($60,000)
Cumulative Revenue Lost (Red Line)
$2,000,000
$0
($2,000,000)
($4,000,000)
($6,000,000)
($8,000,000)
($10,000,000)
($12,000,000)
($14,000,000)
($16,000,000)
($18,000,000)
3/30/07
4/14/07
4/29/07
5/14/07
5/29/07
6/13/07
6/28/07
7/13/07
7/28/07
8/12/07
8/27/07
9/11/07
9/26/07
10/11/07
10/26/07
11/10/07
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1/24/08
2/8/08
2/23/08
3/9/08
3/24/08
4/8/08
4/23/08
5/8/08
5/23/08
6/7/08
6/22/08
7/7/08
7/22/08
8/6/08
8/21/08
9/5/08
9/20/08
Cumulative lost revenue
Daily lost revenue